

EDMUND G. BROWN JR.
Attorney General of the State of California
MARK ZAHNER
Chief Prosecutor
State Bar No. 137732
BRIAN V. FRANKEL
Supervising Deputy Attorney General
State Bar No. 116802
1455 Frazee Road, Suite 315
San Diego, CA 92108
Telephone: (619) 688-6065
Fax: (619) 688-4200
Attorneys for STATE OF CALIFORNIA

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA and
STATE OF CALIFORNIA, *ex rel.* DAVID
T. READ,

Plaintiffs,

v.

MOUNTAIN VALLEYS HEALTH
CENTERS, INC.,

Defendant.

CIV-S-04-0190 FCD GGH

STATE OF CALIFORNIA'S
STIPULATION AND ORDER OF
DISMISSAL

STIPULATION

WHEREAS, the State of California, defendant, and relator have entered into a settlement agreement which resolves the claims brought on behalf of the State of California (a copy of the fully executed settlement agreement is attached hereto as Exhibit 1);

WHEREAS, the claims brought on behalf of the United States were also resolved by the aforementioned settlement agreement;

WHEREAS, the United States will be filing a separate pleading addressing the dismissal of the claims brought on behalf of the United States;

WHEREAS, the issue of what documents within the Court's file should be unsealed or should remain under seal has already been addressed by the Court's Order signed on 12/22/08

1 and filed on 12/22/08;

2 WHEREAS, no answer or other responsive pleading has been filed in this action by the
3 defendants;

4 IT IS HEREBY STIPULATED AND AGREED by the State of California and relator David
5 T. Read, through their respective counsel of record:

6 1. Pursuant to Fed. R. Civ. P., Rule 41(a)(1):

7 a. the claims brought on behalf of the State of California shall be dismissed with
8 prejudice as to the relator; and

9 b. as to the State of California, the claims brought on behalf of the State of California
10 shall be dismissed with prejudice as to the "Covered Conduct" as defined in Exhibit 1, and
11 without prejudice as to all other claims brought on behalf of the State of California.

12 2. This Court shall retain jurisdiction to enforce the terms of the aforementioned settlement
13 agreement.

14
15 EDMUND G. BROWN JR.
Attorney General of the State of California

16 Dated: 1/23/09

17 By: /s/ Brian V. Frankel
BRIAN V. FRANKEL
Supervising Deputy Attorney General
Attorneys for the State of California

18
19 Dated: 1/23/09

20 By: /s/ Gail Killefer
GAIL KILLEFER, ESQ.
Attorney for Relator DAVID T. READ
[original signature retained by counsel]

ORDER

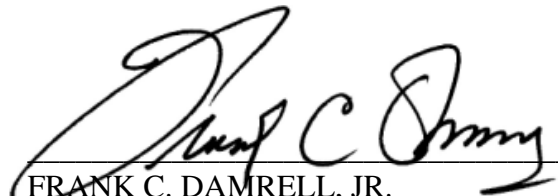
Pursuant to stipulation and for good cause shown, IT IS HEREBY ORDERED THAT:

1. The claims brought on behalf of the State of California are dismissed with prejudice as to the relator.

2. As to the State of California, the claims brought on behalf of the State of California are dismissed with prejudice as to the "Covered Conduct" as defined in Exhibit 1, and without prejudice as to all other claims brought on behalf of the State of California.

3. This Court shall retain jurisdiction to enforce the terms of the aforementioned settlement agreement.

Dated: February 3, 2009


FRANK C. DAMRELL, JR.
UNITED STATES DISTRICT JUDGE